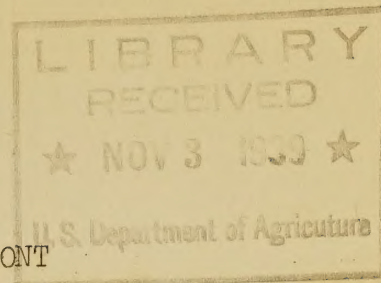


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ON THE CONSUMER FRONT



This is an excerpt from a radio program, presented by the General Federation of Women's Clubs, on October 27, 1939, at 1:45 P.M., Eastern Standard Time, over the Red Network of the National Broadcasting Company, Washington, D. C. In it, Bryson Rash asks Donald E. Montgomery what's been happening recently to prices of consumers' goods. Mr. Montgomery is Consumers' Counsel of the Agricultural Adjustment Administration, Department of Agriculture, Washington, D. C. The program, prepared by the Consumers' Counsel Division of the AAA, is presented each Friday at this time.

RASH: My first question is this. Have food prices changed very much in the last week?

MONTGOMERY: Sugar is a little cheaper in many of the big cities. And so are navy beans. Round steak, too, is a little less.

RASH: Did any foods go up?

MONTGOMERY: Well, you know, this is the time of year when butter and eggs usually increase. They have been doing that gradually, and they continued up slightly last week. Pork chops, too, went up a little.

RASH: Mr. Montgomery, how do food prices now compare with before the war?

MONTGOMERY: For all foods, I can't tell you, Bryson, but if you look at staples you'll find that on the whole they now cost about 10 percent more than they did last August.

RASH: How about other things consumers buy?

MONTGOMERY: That's a tall question, Bryson. There are so many other things!

RASH: Of course. But, say, clothing. Have prices gone up much since war broke out?

MONTGOMERY: No, not yet.

RASH: You say, not yet. But do you expect clothing to cost more?

MONTGOMERY: I'm not going to make predictions, Bryson, but I know that wholesale prices of some of the materials used for making clothing have already gone up.

RASH: What materials, for instance, Mr. Montgomery?

MONTGOMERY: Why, silk, rayon, wool, cotton cloth, leather.

RASH: That should mean higher prices for stockings, and shoes, and men's suits, I should think.

MONTGOMERY: Well, the trade seems to think that shoes and gloves, and suits and sweaters . . . things made from leather and wool . . . will cost more, but not until the end of this year, possibly early next year. You see, the goods that merchants have on their shelves now were made before raw material prices started going up. It sometimes takes months for those higher prices to work their way to consumers.

RASH: Did you say silk is more expensive?

MONTGOMERY: Yes, and already consumers are having to pay more for silk stockings.

RASH: How about furs?

MONTGOMERY: There have been reports that prices for raw furs are a good deal higher.

RASH: We buy so much linen from abroad, I was wondering whether, say, linen handkerchiefs would cost more.

MONTGOMERY: Some wholesale prices for linen handkerchiefs stepped up in September, and the trade thought there will be more increases.

RASH: And then there's rayon. What's happening to it.

MONTGOMERY: Remember, these reports are from the trade press and they are about wholesale prices. In the case of rayon, trade people expect a general increase of 5 cents a pound around November 1.

RASH: Doesn't it sometimes happen, instead of raising prices, manufacturers lower the quality of materials used in making their products?

MONTGOMERY: Yes. That's one way to avoid charging more. In fact, there is talk in the trade reports of using cheaper materials on handbags, men's neckwear, women's hats.

RASH: What about some of the clothes farmers buy, Mr. Montgomery?

MONTGOMERY: Well, wholesale prices of overalls, it was said, increased by 25 or 50 cents a dozen this month. But they don't think farmers will have to pay more for some time. The same with work shirts. Wholesale prices of work shirts are up 50 cents a dozen.

That's all for this week, Bryson. I'll be back next week at the same time with news about some of the other things consumers buy.